# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the Application of)

ENTRIX TELECOM, INC.

DOCKET NO. 02-0422

For a Certificate of Authority To Provide Intrastate Telecommunications Services Within the State of Hawaii and For Approval of its Initial Tariff.

DECISION AND ORDER NO. 20059

Filed March 6, 2003
At 8:00 o'clock 4.M.

Chief Clerk of the Commission

ATTEST: A True Copy
KAREN HIGASHI
Chief Clerk, Public Utilities
Commission, State of Hawaii.

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#### DECISION AND ORDER

I.

By application filed on December 12, 2002, ENTRIX TELECOM, INC. (Applicant) requests a certificate of authority (COA) to provide intrastate telecommunications services within the State of Hawaii (State) and for approval of its initial tariff, pursuant to Hawaii Revised Statutes (HRS) § 269-7.5 and Hawaii Administrative Rules (HAR) § 6-80-17.

Copies of the application were served on the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs (Consumer Advocate). By a statement of position filed on January 17, 2003, the Consumer Advocate states that it does not object to approval of the application provided that Applicant revises certain sections of its proposed tariff.

Applicant is incorporated in Delaware, with its principal place of business in Newark, New Jersey. It is a wholly owned subsidiary of IDT Domestic Telecom, Inc., with its ultimate parent being IDT Corporation. Applicant proposes to provide resold intrastate telecommunications services, including prepaid calling card services. Applicant is currently in the process of requesting authority to provide resold telecommunications services in all 50 states.

#### III.

Upon review of the application, the commission makes the following findings, pursuant to HAR § 6-80-18:

- Applicant possesses sufficient technical, financial, and managerial resources and abilities to provide the proposed services;
- 2. Applicant is fit, willing, and able to properly perform the telecommunications services proposed and to conform to the terms, conditions, and rules prescribed or adopted by the commission; and
- 3. Applicant's proposed telecommunications services are in the public interest.

Accordingly, we conclude that Applicant should be granted a COA to operate as a reseller of intrastate telecommunications services. Additionally, based on our review of the proposed tariff and the Consumer Advocate's comments, we also conclude that Applicant should revise its proposed tariff as follows:

- 1. Pursuant to HAR § 6-80-107(4), include the commission's telephone number and address in section 3.2 on original page 24 for those persons seeking commission review of their complaint.
- 2. Amend section 2.5.1.a on original page 19 to reflect that service will be disconnected, with notice, only for nonpayment of a past bill that is not in dispute, pursuant to HAR § 6-80-106.
- 3. Revise section 2.13 on original page 22 so that the late payment fee charged to customers is not more than one per cent per month on any past due balance.
- 4. Amend section 2.6 on original pages 19-20 to include the provision that, where service is interrupted by a natural or other disaster, Applicant shall make adjustments and refunds to affected customers if service is not restored within 48 hours, in accordance with HAR § 6-80-103(b).
- 5. Amend section 2.4.9 on original page 16 by specifying Applicant's charge for installation of equipment at the customer's premises.
- 6. Revise section 2.9 on original page 20 by either eliminating Applicant's reservation of right to collect advanced payments from its customers, or by specifying the services on which it will be collecting such advanced payments.
- 7. Amend section 3.5.3 on original page 29 so that it clearly states whether or not a charge will be applied for directory assistance requests, and if so, what the specific charge will be. In addition, please amend section 4.0 on original page 30 for consistency with revised section 3.5.3.

- 8. Revise section 2.12 on original page 22 to include a breakdown of the taxes and fees, and their respective amounts, included in the 20 per cent deduction from prepaid calling cards, to facilitate customer review. In addition, please assure that all such fees are in compliance with State law.
- 9. Pursuant to HAR § 6-80-40(a), Applicant's tariff is effective upon its filing with the commission. Therefore, the proposed tariff's present issue date of December 16, 2002, is unacceptable. In accordance with HAR § 6-80-40(a), Applicant should insert an issued date upon submission to the commission of its revised tariff.
- 10. Amend all provisions relating to Applicant's exemption from or limitation of liability (including indemnification) to include the proviso that in the event of a conflict with State law, State law will prevail.

Applicant also asks that it be allowed to keep its books and records in the state of New Jersey and says that it will promptly make these materials available to the commission upon request. This request is consistent with HAR § 6-80-136(a)(3), and therefore commission approval is not necessary.

IV.

## THE COMMISSION ORDERS:

- 1. Applicant is granted a COA to operate as a reseller of intrastate telecommunications services in the State.
- 2. As a holder of a COA, Applicant shall be subject to all applicable provisions of HRS chapter 269, HAR chapters 6-80 and

- 6-81, any other applicable State laws and commission rules, and any orders that the commission may issue from time to time.
- 3. Applicant shall file its tariff in accordance with HAR §§ 6-80-39 and 6-80-40. Applicant's tariff shall comply with the provisions of HAR chapter 6-80. In the event of a conflict between any provision of a tariff and State law, State law shall prevail.
- 4. Applicant shall conform its proposed tariff to the provisions of HAR chapter 6-80 by, among other things, incorporating the tariff revisions set forth in section III of this decision and order into the original tariff. An original and eight copies of the tariff, complete with the revised pages, shall be delivered to the commission, and two copies of the same shall be served on the Consumer Advocate.
- 5. Within 30 days of the date of this decision and order, Applicant shall pay a public utility fee of \$60, pursuant to HRS § 269-30, with checks made payable to the Hawaii Public Utilities Commission, at 465 South King Street, Room 103, Honolulu, Hawaii, 96813.
- 6. In accordance with HAR § 6-80-39, Applicant shall not offer, initiate, or provide any telecommunications services within the State, at wholesale or retail, until it complies with the requirements set forth in this decision and order.

DONE at Honolulu, Hawaii this 6th day of March, 2003.

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

By Mayor Brown

Mayne H. Kimura, Chairman

By the Flucto

Janet E. Kawelo, Commissioner

Ву.

Gregg J Kinkley, Commissioner

APPROVED AS TO FORM:

Benedyne S. Stone Commission Counsel

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### CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing <u>Decision and Order No. 20059</u> upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS DIVISION OF CONSUMER ADVOCACY P. O. Box 541 Honolulu, HI 96809

CARL WOLF BILLEK
ENTRIX TELECOM, INC.
520 Broad Street
Newark, NJ 07102-3111

Karen Higashi

DATED: March 6, 2003